

<u>Revenues Estimations</u>	% Revenue 2023	\$ Revenue	% Revenue 2028	\$ Revenue	CAGR Growth	Growth 5 years
Smartphone	38%	\$26.47	31%	\$53.25	15%	101%
IoT	8%	\$5.57	8%	\$13.87	20%	149%
Automotive	6%	\$4.18	6%	\$10.40	20%	149%
HPC minus Data Centers	37%	\$25.78	37%	\$64.14	20%	149%
Data Centers	6%	\$4.18	18%	\$31.74	50%	659%
= HPC	43%	\$29.96	55%	\$95.89	-	220%
= Total Revenue 2028				\$173.41	= Total EBIT (1-t) 2028	\$61.91

HPC and Data centers

Driven by data center buildout demand, from big tech, Microsoft, Apple, Google, CC Wei notes high growth rates of 50% CAGR over the next 5 years

Smartphone

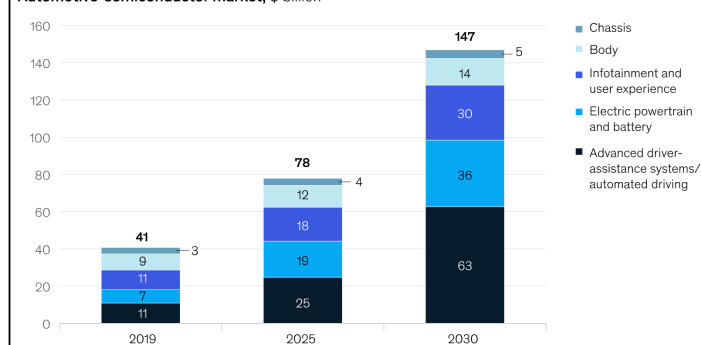
Largely tied to AAPL's growth rate, sales in China has slowed, But potential Indian market can continue future growth

Automotive

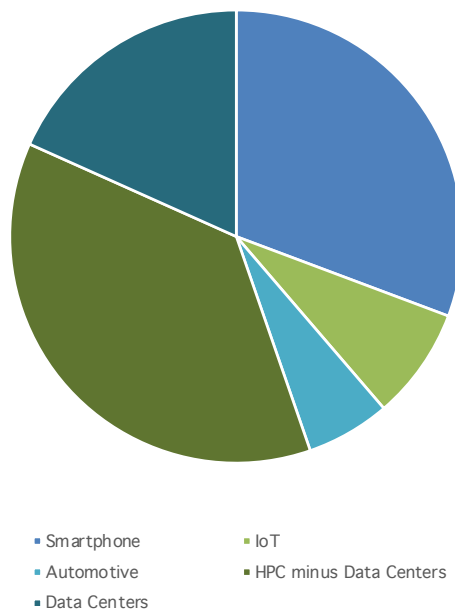
Driven by more sophisticated cars, (electrification, infotainment and self-driving)
There's basically iPads in Tesla, Rivian, BYD etc.
Especially with self-driving, more advanced chips will be needed from TSM

Autonomous driving, connectivity, and electrification are increasing demand for automotive chips.

Automotive-semiconductor market, \$ billion



% TSM Estimated Revenue 2028



Valuation

P/E 20	\$1,238.13
PV P/E	\$786.49
-debt	\$29.68
+cash	\$55.00
value of equity	\$811.81
-value of equity options	na
Numbers of shares	5.19
Value per share	\$156.55

Conservative P/E of 20 in 10 years, 9.5% Discount Rate.
Fair Share Value of \$156.55

Further Assumptions

Discount rate	9.5%
Perpetuity rate	3.0%
Gross Margin	54.0%
Operating Margin	42.0%
Tax Rate	15.0%
Operating Margin	42%

Market Size

Foundry Revenue in 2023	\$120.12
TSMC Market Share in 2023	58.0%
TSMC Revenue	\$69.67
Foundry Revenue in 2029	\$241.61 <i>*CAGR 15%</i>
TSMC Market Share in 2029	71.8%
TSMC Revenue	\$173.41 <i>*CAGR 20%</i>

Revenues Reach USD 173bn in 2028, NPAT grows to USD 62bn
TSMC largely outperforms the rest of the industry, CAGR 20% growth. This is driven by growth in Data Centers market size and market share (AMD, and NVIDIA). TSMC is the chosen partner for every chip designer, driving the majority of Foundry's market growth.